

DEBTS OF DECEDENT & MORTGAGES AND LIENS

Estate of:

Page _____ of _____
of Schedule **K**

Item No.	Description - See instructions	Marital Property	Other Property
Section a. Debts of Decedent - see instructions			
1.	Medical expenses	\$	\$
	Less amount claimed for income tax purposes	()	()
	Net amount deductible	\$	\$
2.	Other debts		
	Subtotal	\$	\$
TOTAL - Add both columns and enter on line 9 of page 2, Form 101			\$
Section b. Mortgages and Liens Against Solely Owned Property - see instructions			
1.		\$	\$
	Subtotal	\$	\$
TOTAL - Add both columns and enter on line 10 of page 2, Form 101			\$
Section c. Mortgages and Liens Against Joint and Survivorship Marital Property - see instructions			
1.		\$	\$
SUBTOTALS		\$	\$
TOTAL - Enter on line 2 of Schedule E1 or E2 as appropriate			\$

INSTRUCTIONS FOR SCHEDULE K - DEBTS OF DECEDENT & MORTGAGES & LIENS

**See the instruction to Schedule MP - MARITAL PROPERTY DECLARATION
for information on reporting marital property deductions.**

Report on Schedule K all valid debts of the decedent such as:

- Medical expenses - see section a.
- Income taxes - see section a.
- Unsecured notes - see section a.
- Mortgages and land contracts - see sections b. and c.
- Property taxes - see sections b. and c.

If the amount of the claim is disputed or the subject of litigation, only the amount the estate concedes to be a valid debt may be deducted. If any claim is being contested, give complete details.

Indicate the exact nature of the debt and the name of the creditor. If the debt represents the unpaid balance due on a contract for the purchase of any property included in the decedent's estate, indicate the schedule and item number where the property is reported. If the decedent and another person are jointly and severally liable for a debt, fully state the facts and the financial responsibility of the co-obligor. See Schedule D instructions if there is any mortgage or credit life insurance.

Retain all vouchers and original records for verification.

Section a. DEBTS OF DECEDENT.

The allowable deduction for the decedent's medical expenses is limited to those expenses which meet all the following requirements:

- Are unpaid as of the decedent's death
- Will not be claimed as an itemized deduction on the final individual income tax return of the decedent
- Will not be reimbursed.

A debt may be claimed for unpaid state and federal income taxes owed by the decedent. Income taxes on a state or federal fiduciary return are not a deduction.

For each note which is unsecured by a mortgage or other lien, provide:

- Face value and unpaid balance
- Date of note
- Date of maturity or due date
- Interest date(s)
- Interest rate

Sections b. and c. MORTGAGES AND LIENS.

Report in section b mortgages and liens upon property solely owned by the decedent. Report in section c mortgages and liens upon property in which the decedent was a joint tenant.

Indicate:

- Face value and unpaid balance
- Date of mortgage or land contract
- Date of maturity or due date
- Name of payee
- Interest date(s)
- Interest rate
- Property subject to lien (schedule and item number)

PROPERTY TAXES. Accrued and unpaid property taxes as of the date of death are a lien against the real estate. In addition, for the year of death, a deduction is allowed for one-twelfth of the taxes assessed multiplied by the number of months in the calendar year preceding death, including the month of death, if death occurred after the 15th day. If the tax levy for the year of death is not known, the deduction may be computed using the tax levy for the year preceding death. If only a fractional share of the property is being taxed, the allowable deduction is the same fractional share as the property being taxed. This deduction is permitted even if also taken for income tax purposes.

DEFICIT PROBATE ESTATE. A deficit probate exists whenever the solely owned assets are insufficient to pay all allowable expenses itemized on Schedules J and K. See s. 859.25. If there are not sufficient solely owned assets, the excess expenses may be claimed as a deduction only if actually paid by a distributee out of nonprobate property. When excess expenses are paid, file an affidavit signed by the distributee(s) disclosing the expenses, date and amount paid. If an excess expense has not been paid but a distributee is obligated to make payment, indicate such expense and submit proof of the obligation. The excess expenses will reduce the distributive share of the distributee who makes payment.